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## VIA ELECTRONIC FILING

Mr. Charles Terreni, Chief Clerk of the Commission Public Service Commission of South Carolina Synergy Business Park, Saluda Building 101 Executive Center Drive Columbia. SC 29210

Re: Alliance Global Networks, LLC

Docket No. 2009-330-C

Dear Mr. Terreni:

Enclosed for filing please find the Testimony of Mary O'Keeffe on behalf of Alliance Global Networks, LLC, and Supplemental Exhibit D to the Application which contains updated financial statements for the company as of July 31, 2009. By copy of this letter we are serving the same on the Office of Regulatory Staff. If you have any questions, please have someone on your staff contact me.

Very truly yours,

ROBINSON, McFADDEN & MOORE, P.C.

Bonnie D. Shealy

/bds Enclosures

cc/enc:

Randall Dong, PSC Hearing Examiner (via email)

Patrick D. Crocker, Esquire (via email) Ms. Mary O'Keeffe (via U.S. Mail)

Shealy Boland Reibold, ORS (via email & U.S. Mail)

## BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

## **DOCKET NO. 2009-330-C**

THE APPLICATION OF ALLIANCE GLOBAL NETWORKS LLC CERTIFICATE OF PUBLIC	)	IN THE MATTER
CONVENIENCE AND NECESSITY TO  TRANSACT THE BUSINESS OF A RESELLER  OF INTEREXCHANGE  TELECOMMUNICATIONS SERVICES FOR  APPROVAL OF ITS INITIAL TARIFF AND  FOR MODIFIED ALTERNATIVE  REGULATION	TIFICATE OF PUBLIC  NECESSITY TO  NESS OF A RESELLER  ONS SERVICES FOR  TIAL TARIFF AND	CONVENIENCE A TRANSACT THE E OF INTEREXCHAI TELECOMMUNIC APPROVAL OF ITS FOR MODIFIED AI

TESTIMONY OF MARY O'KEEFFE

## 1 I. INTRODUCTION

- 2 Q. Please state your name and business address.
- 3 A. My name is Mary O'Keeffe. My business address is ALLIANCE GLOBAL
- 4 NETWORKS LLC ("AGN"), 1221 Post Road East, Westport, CT 06880.
- 5 Q. By whom are you employed and in what capacity?
- 6 A. I am the Treasurer of AGN. I also serve as CFO for Alliance Group Services, Inc., dba
- 7 U.S. Republic Communications ("AGSi"). AGSi operates as a wholesale carrier
- 8 exclusively offering telecommunication service to other resellers and carriers. The
- 9 majority shareholder of AGSi is the sole member of AGN. Furthermore, AGN officers
- 10 hold similar positions with AGSi.
- 11 Q. Please give a brief description of your background and experience in business and
- 12 telecommunications.
- 13 A. I have served as CFO of AGSi for over five years. Further, I have served companies in
- various financial capacities for over 20 years including 11 years in public accounting
- with KPMG.
- 16 Q. What is the purpose of your testimony?
- 17 A. The purpose of my testimony is to describe the nature of AGN's proposed service
- offerings within the State of South Carolina, and to demonstrate its financial, managerial,
- and technical ability to provide the telecommunications services for which authority is
- sought herein.
- Q. Do you intend to incorporate by reference any documents into your testimony?
- 22 A. Yes. I wish to incorporate by reference the underlying Application filed in this
- 23 proceeding and its associated exhibits.

1 II. THE BUSINESS OF AGN	1	II.	THE BUSINESS OF AGE
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- 2 Q. Has AGN registered to do business in South Carolina?
- 3 A. Yes. AGN is organized in the State of Delaware and has been authorized to transact
- 4 business within the State of South Carolina. Copies of the qualifying documents are
- 5 attached to the Application as Exhibits A and B.
- 6 Q. Please describe the services AGN intends to provide within the State of South
- 7 Carolina.
- 8 A. AGN seeks authority to operate as a reseller of all forms of intrastate interexchange
- 9 telecommunications services to the public on a statewide basis and to offer a full range of
- 10 "1+" interexchange telecommunications services to other carriers and resellers on a
- wholesale basis. AGN intends to initially provide wholesale service and retail service as
- 12 the opportunity permits.
- 13 Q. What carrier will AGN utilize as its underlying carrier for services in South
- 14 Carolina?
- 15 A. AGN will offer service to its subscribers using facilities of the communications networks
- of AT&T, other facilities-based IXCs, and the local exchange telephone companies.
- 17 Q. Is AGN currently authorized to provide intrastate telecommunications services in
- 18 any other states?
- 19 A. Yes, AGN is authorized to provide telecommunications services within the following
- jurisdictions: Arizona, Arkansas, California, Colorado, Connecticut, District of
- Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland,
- 22 Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New
- Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio,

- Oregon, Pennsylvania, Rhode Island, South Dakota, Texas, Utah, Vermont, Virginia,
- Washington, West Virginia, Wisconsin and Wyoming. Furthermore, AGN has
- applications pending or in process within the following jurisdictions: Alabama, Delaware,
- 4 Louisiana, Maine, Nebraska, Oklahoma, South Carolina and Tennessee.
- 5 Q. Does AGN intend to file a tariff with the Commission?
- 6 A. Yes, AGN will file a tariff similar to the proposed tariff filed along with AGN's
- application as Exhibit E in this docket. We believe that AGN's tariff will comport with
- 8 all orders, rules, and regulations of the Commission. Wholesale services will be provided
- 9 using contract service arrangements. The Office of Regulatory Staff has requested that
- we make several revisions to our proposed tariff which we have agreed to do.
- 11 Q. Will AGN comply with the Commission's orders regarding the resale of
- 12 interexchange carrier services?
- 13 A. Yes. AGN will at all times provide and market interexchange carrier services in
- accordance with current Commission policies. In addition, AGN at all times provides
- interstate services in compliance with all FCC rules and regulations.
- 16 Q. Has AGN provided any intrastate telecommunications services within the State of
- 17 South Carolina?
- 18 A. No it has not.
- 19 Q. What rates will AGN charge end users upon receipt of certification?
- 20 A. AGN will charge end users the tariffed rates approved by the Commission.
- 21 Q. How will AGN market services in South Carolina?
- 22 A. AGN will primarily market wholesale telecommunication service to other carriers and
- resellers in South Carolina. AGN will not actively market retail service in South

1 Carolina. Furthermore, in the event AGN's business plan changes and AGN begins to 2 actively market service to end users in South Carolina, AGN will utilize telemarketing to 3 market such end user service.. 4 Q. What Regulatory Treatment is AGN seeking in this Application? 5 Α. AGN requests that all of its business service offerings be regulated pursuant to the 6 procedures described and set out in Docket No. 95-661-C and as modified by Order No. 7 2001-997-C in Docket No. 2000-407-C. It is AGN's intent by this request to have its 8 business services regulated in the same manner as this Commission has permitted for by 9 AT&T Communications of the Southern States. Specifically, AGN requests: 10 removal of maximum rate tariff requirements for its business services, consumer (a) card, operator service, and future private line, and customer network-type offerings; 11 (b) that tariff filings for these uncapped offerings are presumed valid upon filing. If the 12 13 Commission institutes an investigation of a particular filing within seven days, the 14 tariff filing will be suspended until further order of the Commission; and any relaxation in the reporting requirements that may be adopted for AT&T shall 15 (c) 16 apply to AGN also. We understand that the alternative regulation orders were modified by Order No. 2001-17 997 so that rate caps for operator-assisted calls where a consumer uses a local exchange 18 carrier's calling card to complete calls from locations which have not selected that local 19 20 exchange carrier as their toll provider. The order imposed a maximum cap of \$1.75 for operator surcharges for such calls, and a maximum cap of \$0.35 related to the flat per-21

minute rate associated with these calls.

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1	III.	MANAGERIAL, TECHNICAL, AND FINANCIAL QUALIFICATIONS
2	Q.	Does AGN have sufficient managerial, technical, and financial resources and ability
3		to provide the telecommunications services proposed in its Application?
4	A.	Yes. AGN has sufficient technical, financial, and managerial resources and the ability to
5		provide the telecommunications services for which authority has been sought herein.
6		AGN's personnel represent a broad spectrum of business and technical disciplines,
7		possessing many years of individual and aggregate telecommunications experience. In
8		fact, AGN's management team also serves in similar capacities with AGSi. AGSi was
9		authorized to provide interexchange telecommunications service by the Commission in
10		Order No. 1999-362, Docket Number 98-620-C, on May 20, 1999.
11	Q.	How does AGN handle customer service requests?
12	A.	AGN operates a customer service department that can be reached conveniently by a toll
13		free number, 1-800-756-2236, 24 hours a day, 7 days a week.
14	Q.	Please describe the financial condition of AGN
15	A.	In support of AGN's financial ability to provide the services sought herein, AGN filed a
16		balance sheet with the Commission as Exhibit D to the Application in this proceeding. In
17		addition, we are filing a Balance Sheet and Income Statement as of July 31, 2009 in
18		further support of AGN's financial ability to provide the services contemplated herein as
19		a supplemental exhibit to the application At the time of the hearing, if necessary, I will
20		provide further testimony to support AGN's financial ability to provide the services set
21		forth in its Application.

Q. How will residents of South Carolina benefit from AGN's services and presence in South Carolina?

1	A.	Approval of AGN's Application will serve the public interest by creating greater
2		competition in the interexchange marketplace. Approval will also provide consumers
3		with a greater choice of billing options and long distance services for intrastate calls,
4		promoting more efficient use of the underlying networks. AGN's participation in South
5		Carolina's intrastate telecommunications market will also expand the tax base and
6		revenue sources for the State.

- 7 Q. Why is the company seeking an exemption from maintaining records in South
  8 Carolina?
- AGN requests a waiver of the requirements of 26 S.C. Reg. 103-610 that a carrier keep all records required by the Commission's rules and regulations within the State of South Carolina. Since the company's corporate offices are in Connecticut maintaining its books and records in South Carolina would be unduly burdensome. AGN will have a registered agent in South Carolina and will bear any costs associated with the Commission's inspection of its books and records.
  - AGN also seeks an exemption for any policies that might require a carrier to maintain its financial records in conformance with the Uniform System of Accounts. As a competitive carrier, AGN maintains its books in accordance with Generally Accepted Accounting Principles; and therefore, does not possess the detailed cost data required by USOA.
- 19 Q. Does this conclude your testimony?

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20 A. Yes. I would like to thank the Commission for this opportunity to provide information 21 relevant to AGN's Application and am ready to provide any additional information that 22 the Commission may need in making its decision.